

MINUTE ITEM

19. SALE OF VACANT STATE SCHOOL LAND, APPLICATION NO. 5438, SACRAMENTO LAND DISTRICT, MARIPOSA COUNTY, WILLIAM R. DAYSON - S.W.O. 7367.

Following presentation of Calendar Item 28 attached, Mr. Kenneth R. McSwain, Chief Engineer and Manager of the Merced Irrigation District, appeared before the Commission and introduced the members of the Board for this District. After outlining the plans of the District, he called attention to the fact that a sale of the subject land at this time could enhance the value of all the lands in the area, making it more costly to the District to acquire them at such time as the money for their purchase is available.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED REJECTING APPLICATION NO. 5438 OF WILLIAM R. DAYSON, AND WITHDRAWING FROM AVAILABILITY FOR SALE AT THIS TIME THE LANDS IN THE E $\frac{1}{2}$ OF THE SW $\frac{1}{4}$ OF THE SW $\frac{1}{4}$ OF SECTION 2, T. 5 S., R. 15 E., M.D.M., CONTAINING 20 ACRES IN MARIPOSA COUNTY.

Attachment

Calendar Item 28 (9 pages)

*see pg 10, 904.
10, 905
SLE Minutes
1/28/1965*

CALENDAR ITEM

28.

SALE OF VACANT STATE SCHOOL LAND, APPLICATION NO. 5438, SACRAMENTO LAND DISTRICT, MARIPOSA COUNTY, WILLIAM R. DAYSON - S.W.O. 7367.

On July 21, 1959, William R. Dayson of Belmont, California, filed an application to purchase the E $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 2, T. 5 S., R. 15 E., M.D.B. & M., containing 20 acres in Mariposa County, offering \$720 or \$36 per acre for the land, based on a minimum value established by a prior appraisal.

Due to the time which had elapsed subsequent to the prior appraisal, a reappraisal was necessary. The reappraisal indicated that the land was not suitable for cultivation without artificial irrigation, established its value at an average of \$141 per acre, or a total of \$2,820, and also developed the following information: The Merced Irrigation District had a project in view which would raise the water level of an existing Irrigation District dam. The rise in the water level would, at its highest point, flood approximately two to three acres of the southernmost portion of the parcel under application.

Inquiries were directed to the Department of Water Resources and to the Merced Irrigation District, on June 20 and July 11, 1960, respectively, asking for further information regarding the project. In summary, replies received from these agencies were as follows:

Department of Water Resources

1. The Merced Irrigation District has filed water-rights applications before the State Water Rights Board, and Federal power license applications for a project including the Snelling Dam and Reservoir, which would impound water over land in the area to a pool elevation of 400 feet, U.S.C.S. Datum.
2. The District proposes to build the dam.
3. The project is now in the planning stage.
4. The time of construction is contingent upon application completions, financing, and design.
5. The Department of Water Resources is not interested in acquiring the tract of land under State application.

Merced Irrigation District

1. The District plans to build a reservoir which will have the effect of flooding a small portion of the subject 20-acre parcel.
2. Construction may begin in early 1962--but probably later.

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3. The District is not presently in a position to acquire the 20 acres under consideration.
4. The District may in the future have to acquire some of the land to be flooded and might wish to acquire the entire parcel. However, funds for this purpose would not be available until 1962, and the District cannot commit itself as to the future acquisition of the lands.
5. Sale of the parcel to an individual might have the effect of inflating the price of other lands that the District must acquire for public purposes.

In addition to the foregoing, the Recreation and Parks Commission of the County of Mariposa has reported that:

1. If the Merced Irrigation District's plans mature, the County will be faced with demands for recreational facilities on any body of water created by the water project.
2. Should the State sell the parcel, it might become necessary for some public agency, county or other, to repurchase the property for public use.
3. The County of Mariposa is unable at present to commit any funds for probable or potential use of the land for recreational purposes. Planning and budgeting preclude action on the part of any county agency to make a firm agreement to purchase the property in the future.
4. A recent "hold" has been placed on approximately 70 square miles of public land in this same area by the Department of Fish and Game, State of California, for recreational study.

No confirmation of this latter statement could be secured. The Department of Fish and Game advised that no request for hold or withdrawal of public lands had been submitted to date to the Department of the Interior, U. S. Bureau of Land Management. However, such a request from the local District of Fish and Game having jurisdiction in the area may be in prospect.

Copies of correspondence received from the above-cited public agencies are attached (Exhibits A through D).

In the interim, two additional applications to purchase the subject parcel were filed. Since there were three bona-fide applications to purchase, all of which were filed by applicants in good faith, the staff proceeded with processing of the applications. Furthermore, since none of the public agencies involved potentially was willing to commit itself with respect to current or future purchase of the land, equity to the applicants indicates a recommendation to the Commission that the land be sold. Accordingly, the first applicant, William R. Dayson, was advised as to the

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appraised value of the land and allowed an 11-day extension in which to deposit the total appraised value. The necessary deposit was made.

The land was advertised for sale with the stipulation that bids must be in excess of \$2,820. Pursuant to advertising, Otto Sedlak of Los Angeles, California, one of the applicants, increased his offer to \$3,020, or \$151 per acre.

Under the Commission's rules and regulations, Section 2302(d), the first applicant was allowed 20 days from the opening of bids (October 31, 1960) within which to submit the additional amount of \$200 to meet the highest qualified bid. The first applicant, William R. Dayson, met the high bid within this period.

The Merced Irrigation District and the Recreation and Parks Commission of Mariposa County have been apprised that this item has been scheduled on the Commission's agenda and have been furnished copies of this calendar item.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE $E\frac{1}{2}$ OF $SW\frac{1}{4}$ OF $SW\frac{1}{4}$ OF SECTION 2, T. 5 S., R. 15 E., M.D.M., CONTAINING 20 ACRES IN MARIPOSA COUNTY, IS NOT SUITABLE FOR CULTIVATION WITHOUT ARTIFICIAL IRRIGATION;
2. CONFIRM THE ELEVEN-DAY EXTENSION GRANTED TO THE APPLICANT, WILLIAM R. DAYSON, WITHIN WHICH TO DEPOSIT THE ADDITIONAL FUNDS TO MEET THE APPRAISED VALUE; AND
3. AUTHORIZE THE SALE OF SAID LAND, SUBJECT TO ALL STATUTORY AND CONSTITUTIONAL RESERVATIONS INCLUDING MINERALS, TO THE FIRST APPLICANT, WILLIAM R. DAYSON, WHO HAS MET THE HIGHEST QUALIFIED BID, AT A CASH PRICE OF \$3,020.

Attachments

Exhibit A
Exhibit B
Exhibit C
Exhibit D

EXHIBIT "A"

STATE OF CALIFORNIA
SACRAMENTO 5

Inter-Departmental Communication

To: Mr. Kenneth C. Smith
Public Lands Officer
State Lands Commission
1403 Twelfth Street
Sacramento, California

From: Department of Water Resources
Division of Resources Planning

Date: June 30, 1960

File No. 625.610

Subject: Reply to Communication dated June 20, 1960,
re App. 5438, Sacramento,
SWO 7367

The Merced Irrigation District has filed water rights applications Nos. 16186 and 16187 before the State Water Rights Board, and also federal power license application for Project No. 2179 before the Federal Power Commission. The project as proposed by the Merced Irrigation District would entail the construction of three dams and reservoirs on the Merced River, the lowermost of which would be Snelling Dam and Reservoir which would impound water to a pool elevation of 400 feet, USGS datum.

In response to your specific questions:

1. Merced Irrigation District proposes to build the dam.
2. The dam project is now in the planning stage.
3. The time of construction will be contingent upon completion of the above-mentioned applications as well as such other items as financing and design, which the district would have to do prior to starting actual construction.
4. The Department of Water Resources is not interested in acquiring the tract as described in your communication.

We will be pleased to furnish any additional information upon request.

WILLIAM L. BERRY, Chief Engineer
Division of Resources Planning
/s/ William L. Horn
By
William L. Horn
Principal Hydraulic Engineer

EXHIBIT "B"

MERCED IRRIGATION DISTRICT

Merced, California

July 12, 1960

State Lands Division
1402 Twelfth Street
Sacramento 14, California

Attention: Kenneth C. Smith
Public Lands Officer

RE: Applications 5438, 5459 and 5475
Sacramento Land District
S.W.O.'s 7367, 7444 and 7589

Gentlemen:

This is in reference to your letter of July 11, 1960, in which you ask for information on a 20-acre parcel in the East half of the Southwest quarter of the Southwest quarter of Section 2, Township 5 South, Range 15 East, M.D.B.&M.

The Merced Irrigation District is considered a public entity, as it is organized according to the state laws set forth in the Water Code. It is therefore public-owned and has the powers of condemnation of private properties.

It is true that the District does plan to build a reservoir which will have the effect of flooding a small portion of the 20-acre parcel in question. We do not contemplate construction of the project until early in 1962, and maybe later, depending on water rights, federal participation, and financing.

We are not at this time in a position to acquire this property, as no funds are yet available for right of way purchases.

We strongly urge that these plans be given your every consideration during your negotiations with prospective purchasers.

Very truly yours,

/s/ Kenneth R. McSwain

KRMCS:dw

KENNETH R. McSWAIN
Chief Engineer and Manager

EXHIBIT "C"

MERCED IRRIGATION DISTRICT

Merced, California

October 11, 1960

State Lands Division
1403 Twelfth Street
Sacramento 14, California

Attention: Kenneth C. Smith
Public Lands Officer

RE: Offer No. 391
App. 5438, Sacramento SWP 7367

Gentlemen:

Reference is made to the above numbered offer and application to purchase the East half of the Southwest quarter of the Southwest quarter ($E\frac{1}{2}$ of $SW\frac{1}{4}$ of $SW\frac{1}{4}$) of Section 2, Township 5 South, Range 15 East, M.D.M., which is owned by the State Lands Commission.

As stated in my letter dated July 12, 1960, it will be necessary for the District to flood about 4 acres of the southwesterly portion of the parcel when its Merced River Development construction is completed. It presently appears that construction may start in 1962, at which time funds will be available for land acquisition.

It will be necessary for the District to acquire the land to be flooded and at least a strip, not to exceed 200 feet in width, above the high water mark. It is also possible that, in the interest of the public welfare, the District may desire to acquire the entire parcel.

Apparently the appraisal of \$2820 is based upon the recreation potential of the property and on the assumption that the applicant will own land adjacent to the shore line of the proposed reservoir. If, of course, the District acquired the flooded area and a strip above it for reservoir purposes, the applicant would have no access to the shore line. In order to provide the recreational facilities appropriate for public owned reservoirs, the District, County, or some other public agency must have a measure of control on adjacent lands.

The high water line for the proposed reservoir is at Elevation 400, where about 4 acres of the parcel will be flooded. At Elevation 360 the lake will barely touch the south line. Our latest operation studies show that over the period from January 1, 1928 to December 31, 1935, if the reservoir were in operation, the water surface would be below 360 for 46 out of 96 months. In each of these years it would be below 360 during June, July, August, and September.

State Lands Division --- 2

I believe that these data will be of interest to the Commission and the applicant.

In view of these facts, I hope that the Commission may reconsider its decision to sell the parcel to an individual at a sum which could seriously affect prices of land that must be acquired for public purposes.

Very truly yours,

/s/ Kenneth R. McSwain

KRMCS:dw

KENNETH R. McSWAIN
Chief Engineer and Manager

EXHIBIT "D"

Recreation and Parks Commission

of Mariposa County

Mariposa, California

October 28, 1960

Mr. Kenneth C. Smith
Public Lands Officer
State Lands Division
1402 Twelfth Street
Sacramento 14, California

Re: Applications 5438, 5459 and
5457 Sacramento Land District
S.W.O.'s 7367, 7444 and 7589

Dear Mr. Smith:

This letter follows our telephone conversation of Thur.,
Oct. 27, 1960, re above, Offer No. 391, Sale of State School Lands.

The Recreation and Parks Commission of the County of Mariposa,
at a regular meeting held on Wednesday, Oct. 26, 1960, by unanimous vote,
directed the Chairman of the Commission to submit the following in this
matter:

The recreation potential of this 20 acres of land, located in
Mariposa County, and adjacent to a proposed Merced Irrigation District
development, is apparently the reason for the offer, or appraisal, of
\$2,820.00 for this land. We are informed that this is in excess of
assessed values of land in the area prior to recent negotiations of the
Merced Irrigation District to develop additional storage facilities.

In the event that M.I.D. does develop this area the County of
Mariposa will be faced with immediate demands for recreational facilities
on any bodies of water created by the expansion. To provide recreational
facilities, the county, or some other public agency, will have to have
some control on lands suitable for said facilities.

It would seem that should this sale be completed it will become
necessary for some public agency, county, state or other, to repurchase
the property for public use. Since the land is now public it would seem
reasonable to assume that it may be retained on the public roll for a
reasonable length of time, until it can be determined whether the land
can be put to beneficial use for the public of the State of California.

The County of Mariposa is unable, under present codes, to commit
any funds for probable or potential use of land for recreation purposes
which may develop in the future.

Recreation and Parks Commission

of Mariposa County

Mariposa, California

State Lands Div.(cont'd)

Proper planning and budgeting also preclude any action on the part of any county agency to make a commital on a firm agreement to purchase property in the future.

May we call your attention to the recent "Hold" which has been place on approximately 70 square miles of Public Land in this same area by the Department of Fish and Game of the State of California for recreational study.

In view of the above we most respectfully request that this letter be presented to the State Lands Commission when this bid is considered and that every consideration be given to the needs of the People of the State of California for public recreational areas, especially on large bodies of water.

Very truly yours,

CARL A. KELLY, Chairman
Recreation & Parks Commission
County of Mariposa

/s/ Helen Vanderbunt

Helen Vanderbunt, Secretary

cc: Board of Supervisors
District Attorney